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Research News for the U.S. Travel Industry

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TRAVEL PRINTOUT

US Travel Data Center

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State Travel Development Budgets Rise 9 Percent In 1988-89

State governments plan to spend over $317 million for travel and tourism development, according to the US Travel Data Center's 1988-89 Survey of State Travel Offices, the sixteenth annual report on the budgets, advertising, promotion and research programs of state tourism development agencies.

The sum of 1988-89 state tourism development budgets for the 50 states rose over 9 percent compared to the 1987-88 budget total of $291 million, which was a 19 percent increase over 1986-87 spending levels.

"Overall, state travel offices have enjoyed healthy increases in annual travel promotion budgets over the past five years," reported Data Center Director Dr. Suzanne Cook. "More and more, state governments are recognizing the significant contribution of tourism to their states' economic development."

New York maintained its number one ranking, allocating $24.3 million for travel development, followed closely by Illinois, with a total budget of $23.9 million.

Thirty states posted budget increases for the current year. The average state travel development budget reached $6.3 million, an increase of more than $500,000 over 1987-88's record $5.8 million.

Illinois reported the largest increase, $3.4 million, while four states projected increases of over $2 million each, including Virginia, Oklahoma, Arizona and Pennsylvania.

Iowa showed the largest percentage gain (139 percent), increasing its budget from $1.4 million to $3.4 million, with over a five-fold increase in its advertising budget.

States will spend an average $2.4 million on advertising, an 8.5 percent increase over reported advertising allocation for 1987-88. Advertising represents 39 percent of total state travel office expenditures.

The 1988-89 Survey of State Travel Offices will be sent to Data Center members and is available to others for $75, prepaid, by writing to the US Travel Data Center, 1133 21st Street NW, Washington, D.C. 20036. ##

1988 Summer Vacation Travel Rises 9 Percent

1988 summer vacation travel increased a surprising 9 percent over 1987 levels, according to the Data Center's National Travel Survey. During their travels, Americans covered more than 311 billion miles.

June, July and August, racking up over 320 million person-trips and far exceeding predictions made by the Data Center last May, proved to be the most traveled summer on record. (A person-trip is one person traveling 100 miles or more away from home.)

"The size of this increase exceeds all expectations," said Data Center Director Dr. Suzanne Cook. "Although consumer optimism, low unemployment and stabilized (continued on page 3)

Declining Lodging Prices Spur November Travel Cost Decrease

The overall cost of travel in the U.S. has dropped for a third straight month due to a significant decrease in the cost of lodging during November, according to the latest Travel Price Index (TPI).

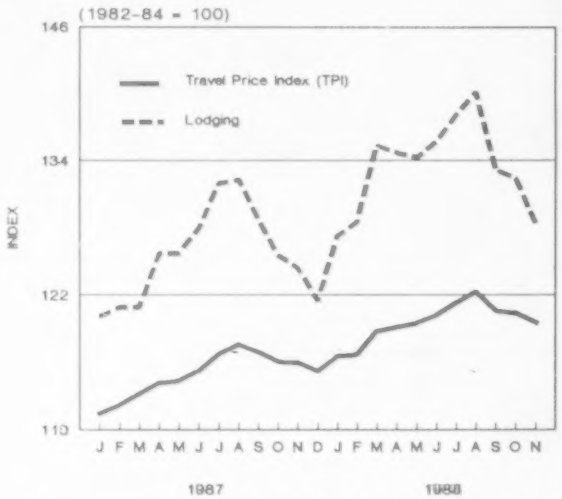
The TPI, which measures changes in the seasonally unadjusted prices of lodging, food, transportation and other goods and services purchased by Americans traveling away from home in the U.S., fell 0.7 percent to 119.5 (1982-84=100) in November.

For comparison, overall goods and services costs, as measured by the Consumer Price Index (CPI), increased 0.1 percent in November.

Motor fuel costs declined 0.1 percent in the monthly comparisons; however, air fares rose 1.1 percent, causing the overall price of transportation to increase 0.4 percent in November.

Entertainment costs declined 0.7 percent while the price of food and beverages purchased while away from home showed a slight increase, as did intracity and intercity public transportation.

The November TPI rose 3 percent over the same month in 1987. The CPI gained 4.2 percent for the same period. ##



Note: TPI revised January, 1987; Data not strictly comparable with earlier years.
Source: US Travel Data Center based on U.S. Bureau of Labor Statistics Data.

Monthly and Annual Rates of Change in the Travel Price Index and Components

November 1988 TPI Component	Monthly Percent Change October 1988 to November 1988	Annual Percent Change November 1987 to November 1988
Transportation	0.4	-0.2
Airline Fares	1.1	2.0
Other Intercity Trans.	0.6	6.1
Intracity Public Trans.	0.2	3.1
Motor Fuel	-0.1	-2.0
Lodging	-3.1	3.1
Food and Beverages Away From Home	0.2	4.4
Entertainment	-0.8	2.8
TRAVEL PRICE INDEX	-0.7	3.0
CONSUMER PRICE INDEX	0.1	4.2

Source: US Travel Data Center and U.S. Bureau of Labor Statistics

TRAVEL PRINTOUT is published monthly by the US Travel Data Center, the national non-profit center for travel and tourism research, and an affiliate of Travel Industry Association of America, Two Lafayette Centre, 1133 21st Street NW, Washington, D.C. 20036. Telephone: 202/293-1040. Suzanne D. Cook, Director. Ida Simmons, Editor. Julie Bowers, Assistant Editor.

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Summer travel
(continued from page 1)

lodging and gasoline prices were contributing factors, the size and scope of the increase in summer vacation travel over the previous year suggest that American consumers are beginning to choose travel over other goods and services. More than ever, Americans are feeling the need to vacation, and they are doing so, even if it means they have to forego other purchases in order to do so."

As the Data Center predicted, July 1988, for the second consecutive year, proved to be the most popular summer month for vacation travel. July garnered nearly 40 percent of total summer vacations.

The average duration of summer vacation trips remained at 6 nights per trip; however, total nights spent away from home on vacation exceeded 1.9 billion for summer 1988. The average round-trip distance jumped from 880 miles in summer 1987 to 970 miles this past summer.

Eighty-one percent of summer vacationers traveled by auto, truck or RV, while 16 percent traveled by air. Forty-two percent of vacationers stayed in hotels; 41 percent stayed with friends and relatives.

The South Atlantic/East South Central region attracted the largest share of summer visitors, along with the Mountain/Pacific regions. ##

Travel Review Conference Coming in February

The third annual Travel Review Conference will take place on February 23, 1989, at the Grand Hyatt Hotel in Washington, D.C.

The conference will again analyze and interpret emerging travel data for 1988 and its implications for the years ahead.

Participants will learn how the drought, forest fires, pollution, and the election affected the travel industry. Speakers will examine 1988 domestic and international travel sectors, leisure travel markets, transportation, accommodations, adventure and senior travel. From this information, the conference will provide a guide to formulate travel marketing plans and strategies for the future.

This year's conference is jointly sponsored by the U.S. Travel and Tourism Administration (USTTA), the Travel and Tourism Research Association (TTRA), and the US Travel Data Center. It will take place following USTTA's International Marketing Conference, and other travel-related events scheduled for the week.

For more information contact Mari Lou Wood, TTRA, at 801/581-3351 or Vernon Azucenas, 202/293-1040. ##

Immediately following the Travel Review Conference, the Data Center's annual membership meeting, usually held in October, will take place in the Lafayette Room of the Grand Hyatt Hotel.

Participants Praise 1989 Travel Outlook Forum

Survey participants rated the overall value of the US Travel Data Center's 1989 Travel Outlook Forum, co-sponsored by the Travel and Tourism Research Association (TTRA), an average of 4.0 (on a scale of 1 to 5) for this year's forum presentations. Seventy-six percent of the respondents rated the forum a 4 or 5.

When rated for overall value by session, 1988 Trends in Travel, by Data Center Director, Dr. Suzanne Cook, again earned the highest rating with a 4.12 average. Following closely were Dr. Steve Malin's Outlook for the Economy in 1989 (4.05), and the 1989 Outlook for International Travel (3.97) by Don Wynegar of the U.S. Travel and Tourism Administration.

The 1989 Outlook for Travel and Tourism contains the complete edited proceedings of this year's forum. This report, sent to all Data Center and TTRA members, is available to others for $100, prepaid, from the US Travel Data Center, 1133 21st Street NW, Washington, D.C. 20036. ##

Data Center Hosts Meeting of Hotel Marketers

US Travel Data Center hosted a meeting of hotel industry marketing research leaders in early December to determine how the Data Center's research program can most effectively address the research needs of the lodging industry and to consider development of other relevant research.

Data Center Director, Dr. Suzanne Cook was positive about the outcome of the meeting. "The delegates were very interested in pursuing common research interests and alternative methods for cost-effective research programs which would benefit the entire lodging industry," said Cook following the meeting.

Hotels represented at the meeting included Best Western International, Hilton Hotel Corporation, Holiday Corporation, Motel 6, Quality Inns International, Ramada Inn, Inc. and VMS Realty Partners. ##

Dr. Fleming Joins Data Center as Economic Research Manager

The Data Center is pleased to announce Dr. William Fleming as its new Manager of Economic Studies, replacing Nancy Mina.

Most recently, Fleming was an associate of Plantec Corporation where he directed market analysis projects. Fleming also worked for the Bureau of Economic Analysis at the Florida Department of Commerce where he conducted several tourism-related projects.

Among other scheduled projects, Fleming will work extensively with the rest of the economic staff on revisions to the Data Center's Travel Economic Impact Model. ##

1989 SATW Membership Directory Published

The Society of American Travel Writers (SATW) official 1989 membership directory will be available for purchase in March.

Containing more than 500 names of active travel writers and editors, the directory is a useful resource for public relations and marketing professionals and those in the travel industry who need to contact travel journalists and travel industry marketers.

The directory is divided into two main sections, active and associate members, as well as editors by affiliation, writers by specialties and members by affiliation and state.

The 1989 SATW Membership Directory is available for $75.00 by writing: SATW, Department A, 1100 17th Street., Suite 1000, NW, Washington, D.C. 20036. ##

Research Worth Writing For. . .

As a new addition in 1989, Travel Printout will include a "Research Worth Writing For" column to give added exposure to travel-related research projects. This new feature will appear every other month throughout the year. If you would like to have your company's travel research projects mentioned in future editions of Travel Printout, please send a brief description of the report, including price, address and contact name, to Julie Bowers, US Travel Data Center, 1133 21st Street NW, Washington, D.C. 20036.

* Travel and Leisure's recent publication, World Travel Overview 1988/89, its 13th annual review of the travel industry, examines worldwide travel trends in 1987.

Highlights include worldwide markets, international travel to and from the U.S., the caribbean region and atlantic islands, the U.S. travel industry, and U.S. travel characteristics and expenditures.

World Travel Overview costs $95 and may be ordered by writing to Louis Benincasa, Travel & Leisure, 1120 Avenue of the Americas, New York, NY 10036. ##

* The American Hotel & Motel Association (AH&MA) has published a Digest of Current Lodging Industry Market Research Studies, Volume III, through the AH&MA Research Foundation.

The digest summarizes the findings of 33 research studies highlighting useful information relevant to lodging market operators. Nine subjects are addressed: factors influencing hotel selection; who makes the reservation; lead time in making reservations; how reservations are made; average length of stay; how much is spent during a trip; effectiveness of media and promotions; and security.

Copies of this publication are available to AH&MA members for $20, non-members $30, from the Publications Dept., AH&MA, 1201 New York Ave., NW, Washington, DC 20005. ##

Visitor Volume at National Parks

Region	OCT 1988 visits	Change from OCT 1987* (percent)	Percent change 1988/1987* Year-to-Date
NEW ENGLAND	1,619,185	18	2
MIDDLE ATLANTIC	2,442,371	-13	-16
SOUTH ATLANTIC	8,943,442	-20	-4
EAST SOUTH CENTRAL	2,009,482	-15	8
EAST NORTH CENTRAL	455,834	20	13
WEST NORTH CENTRAL	547,299	6	4
WEST SOUTH CENTRAL	757,541	4	3
MOUNTAIN	3,136,164	10	3
PACIFIC	3,824,493	-5	0
TOTAL	23,735,811	-10	-2

* Percent change figures may not be consistent with those previously reported due to National Park Service revisions.

States comprising the Census regions:
New England: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont. **Middle Atlantic:** New Jersey, New York, Pennsylvania. **South Atlantic:** Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, West Virginia. **East South Central:** Alabama, Kentucky, Mississippi, Tennessee. **East North Central:** Illinois, Indiana, Michigan, Ohio, Wisconsin. **West North Central:** Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota. **West South Central:** Arkansas, Louisiana, Oklahoma, Texas. **Mountain:** Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, Wyoming. **Pacific:** Alaska, California, Hawaii, Oregon, Washington.

Current Travel Indicators

CURRENT TRAVEL INDICATORS

	Current Month	Current Value	Percent Change: Previous Month	Percent Change: Year Ago Month	Percent Change: Year to Date
Establishments Receipts or Retail Sales					
Hotels, motels and other lodging places(1)	Oct	$ 4,970 million	11.8	9.3	8.6
Eating and Drinking Places(2)	Oct	13,437 million	0.5	8.8	5.6
Gasoline Service Stations(2)	Oct	9,075 million	0.4	3.1	4.5
Commercial Lodging Demand					
Hotel Motel Occupancy Rates(3)	Oct	62.7 percent	0.5	0.3	0.4
Real Demand for Commercial Lodging(4)	Oct	63.7 million	8.7	4.2	4.4
Airline Passenger Traffic(5)					
Domestic Revenue Passenger Miles	Oct	26.5 billion	8.4	5.6	0.6
International Revenue Passenger Miles	Oct	8.0 billion	5.2	17.8	17.7
Highway Traffic Volume(6)					
Rural Arterial Passenger Miles	Oct	43.5 billion	1.4	5.4	1.9
Rail Passenger Traffic(7)					
Amtrak Passenger Miles	Oct	440.1 million	2.8	0.5	7.4
Travel Price Index(1982-84=100) (8)	Oct	120.4	0.2	3.7	4.1
U.S. Resident Travel					
Total Person Trips(9)	Oct	39.2 million	8.0	5.5	1.1
Vacation Person Trips(9)	Oct	63.3 million	8.3	6.9	8.5
Total Person Nights(10)	Oct	366.8 million	22.1	12.5	3.6
Vacation Person Nights(10)	Oct	262.1 million	24.6	5.9	0.5
Public Use of National Parks(11)					
Visits	Oct	23,745,811	12.1	7.1	2.7
Overnight Stays	Oct	1,194,437	33.5	4.9	-1.0
Foreign Arrivals In the U.S.					
From Overseas(12)	Aug	1,394,920	11.6	11.9	20.3
	Sep	1,153,984	17.3	21.3	20.4
From Canada(13)	Oct	1,101,624	6.2	16.4	10.4
From Mexico(12)	Aug	151,874	12.9	13.5	9.8
	Sep	85,708	25.0	20.7	10.9
U.S. Citizen Departures					
To Overseas(12)	Sep	1,237,599	15.4	6.1	5.7
To Canada(13)	Oct	850,769	40.1	3.1	0.4
Domestic Demand for Motor Gasoline(14)					
Barrels per Day	Oct	7,442	1.3	2.1	2.0

(1) Source: Smith Travel Research, seasonally unadjusted. (2) Preliminary; revised monthly. Source: Bureau of the Census. (3) Source: Smith Travel Research, seasonally adjusted, 1986 and 1987 data have been revised. (4) Smith Travel Research, unadjusted room nights sold. (5) Preliminary; U.S. scheduled service air carriers. Source: Air Transport Association. (6) Preliminary; revised monthly. Source: Federal Highway Administration. (7) Source: National Railroad Passenger Corporation (Amtrak). (8) Source: US Travel Data Center and Bureau of Labor Statistics. (9) Source: US Travel Data Center. (10) US Travel Data Center. Data is not comparable to earlier published numbers due to revised methodology. (11) Preliminary; unadjusted for differences in reporting units. Source: National Park Service. (12) Source: U.S. Travel and Tourism Administration. Mexican data reflect 1% arrivals only. (13) Statistics Canada. (14) Preliminary; Source: U.S. Department of Energy.

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